

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL NOTE

HB 220 - SB 1787

March 3, 2009

SUMMARY OF BILL: Requires the Bureau of TennCare verify the Social Security number (SSN) of all enrollees in the program and remove all ineligible enrollees who are not lawful residents or are otherwise fraudulent applicants prior to disenrolling individuals for reasons relating to restricting eligibility or enrollment for fiscal or other reasons not required by federal law.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures - \$419,900/One-Time

Assumptions:

- The Department of Human Services (DHS) will be responsible for the verification of the enrollees SSN or legal status in the program.
- Currently, DHS verifies an individual's SSN or legal status prior to enrollment in the program. The bill would require the Department to verify each enrollee's status again if TennCare is proposing eligibility or enrollment restrictions for fiscal reasons.
- DHS field staff will enter every enrollee's SSN into the system and then verify with federal records as to the eligibility status of the enrollee which will result in an increased workload for current field staff.
- DHS estimates that there will be a one percent increase in the current total payroll of field staff resulting in a one-time increase in expenditures of \$419,865 (\$41,986,500 x 1%).
- According to DHS, federal funds will not be available to fund a portion of these expenditures because they are only available for the initial verification that occurs under current law.
- According to DHS, re-verification will not identify any persons who were ineligible but were erroneously enrolled in the program. There would be no offsetting savings from dis-enrollment of persons wrongly determined to be eligible upon initial verification.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White". The signature is written in a cursive style with a large, stylized "J" and "W".

James W. White, Executive Director

/kml